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CORPORATION COMMISSION BEFORE THE AREZONA

COMMISSIONERS

BRENDA BURNS

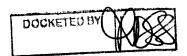
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GARY PIERCE, Chairman **BOB STUMP** SANDRA D. KENNEDY PAUL NEWMAN

AZ CORP COMMISSION DOCKET CONTROL

Arizona Corporation Commission DOCKETED

JAN 2 7 2011



IN THE MATTER OF THE APPLICATION OF JOHNSON UTILITIES, LLC, DBA JOHNSON UTILITIES COMPANY FOR AN INCREASE IN ITS WATER AND WASTEWATER RATES FOR CUSTOMERS WITHIN PINAL COUNTY, ARIZONA.

DOCKET NO. WS-02987A-08-0180

NOTICE OF COMPLIANCE WITH **DECISION NO. 72089**

In Decision 72089 (January 20, 2011), the Arizona Corporation Commission approved the request of Johnson Utilities for implementation of the Central Arizona Groundwater Replenishment District ("CAGRD") adjustor fee authorized in Decision 71854 (August 25, 2010) for all customer billings subsequent to October 1, 2010. Decision 72089 requires that Johnson Utilities docket a CAGRD adjustor fee tariff consistent with the rates approved by the Commission within seven days of the date of the decision. In accordance with Decision 72089, Johnson Utilities hereby dockets its CAGRD adjustor fee tariff with an effective date of October 1, 2010.

RESPECTFULLY submitted this 27th day of January, 2011.

BROWNSTEIN HYATT FARBER SCHRECK, LLP

Jeffrey W. Crockett/Hsq. 40 N. Central/Ave., Fourteenth Floor

Phoenix, Arizona 85004

Attorneys for Johnson Utilities, LLC

ORIGINAL and thirteen (13) copies of the foregoing filed this 27th day of January, 2011, with:

Docket Control ARIZONA CORPORATION COMMISSION 1200 West Washington Street Phoenix, Arizona 85007

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1	Copy of the foregoing hand-delivered this 27 th day of January, 2011, to:	
2	Teena Jibilian, Administrative Law Judge	
3	Hearing Division	
4	ARIZONA CORPORATION COMMISSION 1200 West Washington Street Phoenix, Arizona 85007	
5	•	
6	Robin Mitchell, Staff Counsel Legal Division	
7	ARIZONA CORPORATION COMMISSION 1200 West Washington Street Phoenix, Arizona 85007	
8		
9	Steve Olea, Director Utilities Division	
10	ARIZONA CORPORATION COMMISSION 1200 West Washington Street Phoenix, Arizona 85007	
11	•	
12	Daniel W. Pozefsky, Chief Counsel RESIDENTIAL UTILITY CONSUMER OFFICE 1110 W. Washington Street, Suite 220	
13	Phoenix, Arizona 85007	
14	Copy of the foregoing sent via e-mail and U.S. Mail this 27 th day of January, 2011, to:	
15	Craig A. Marks	
16	CRAIG A. MARKS, PLC 10645 N. Tatum Blvd., Suite 200-676	
17	Phoenix, Arizona 85028 E-mail: Craig.Marks@azbar.org	
18	Attorney for Swing First Golf	
19	James E. Mannato Florence Town Attorney	
20	775 N. Main Street	
21	P.O. Box 2750 Florence, Arizona 85253	
22	E-mail: James.Mannato@florenceaz.gov	
23	Days Robert	
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DOCKET WS-02987A

Cancelling Sheet No.

PART ONE

STATEMENT OF RATES AND CHARGES—WATER DIVISION

E. Central Arizona Groundwater Replenishment District Adjustor Charge.

CAGRD Adjustor Mechanism. In Decision No. 71854 dated August 24, 2010, the Arizona Corporation Commission authorized the Company to implement a Central Arizona Groundwater Replenishment District ("CAGRD") adjustor mechanism to recover the annual tax assessments imposed upon the Company by the CAGRD as a result of the Company's membership in the CAGRD. Accordingly, in addition to all other applicable rates and charges in this tariff, each customer shall pay a monthly CAGRD adjustor charge per thousand gallons of water delivered, as set forth below, effective for all water service rendered in all water service areas for all classes of service on and after June 1, 2010, in accordance with all conditions set forth in Decision No. 71854. The CAGRD adjustor fee shall be calculated as follows: The total CAGRD fees for the most current year in the Phoenix Active Management Area ("Phoenix AMA") shall be divided by the gallons sold in that year to determine a CAGRD fee per 1,000 gallons delivered to customers in the Phoenix AMA. Similarly, the total CAGRD fees for the most current year in the Pinal Active Management Area ("Pinal AMA") shall be divided by the gallons sold in that year to determine a CAGRD fee per 1,000 gallons delivered to customers in the Pinal AMA. By August 25th of each year, the Company shall submit for Commission consideration its proposed CAGRD adjustor fees for the Phoenix AMA and the Pinal AMA, along with the calculations and documentation from the relevant state agencies to support the data used in the calculations. The Commission-approved CAGRD fees shall become effective on October 1 and shall remain in effect until the next CAGRD fee is calculated and approved. To prevent over or under recovery of CAGRD assessments, an annual true-up shall be performed at the time the Company submits its proposed CAGRD adjustor to the Commission. Any over or under recovery of CAGRD fees shall be included in the next year's computation.

2. <u>CAGRD Adjustor Fees.</u> A CAGRD adjustor fee shall be applicable to each thousand gallons of water sold, as follows:

AMA Where Customer Resides:	Rate Per Thousand Gallons of Water Delivered:
Phoenix AMA	\$0.747
Pinal AMA	\$0.252

Issued: September 23, 2010

Effective: October 1, 2010

ISSUED BY:

George H. Johnson, Managing Member Johnson Utilities Company 5320 E. Shea Blvd. Scottsdale, AZ 85254